

Minutes
Mead Public Library
Finance Committee Meeting

Thursday, June 26, 2014
2:45 PM – Library Board Room (Basement)

The meeting of the Mead Public Library (MPL) Finance Committee was held on Thursday, May 22, 2014 in the Library Board room. Present Committee Members: Darryl Carlson, Dolcye Johnson, Henry Nelson, and Dirk Zylman. Staff present: Garrett Erickson and Debbie DeAmico.

1. The meeting was called to order at 2:45 pm. by Zylman.
2. Zylman determined there was a quorum present.
3. **Approve Finance Committee minutes of May 22, 2014.** The May 22, 2014 minutes were not approved by the committee, and will be put on Hold until the next Finance Committee meeting so that Item #4 in the May 22, 2014 minutes can be changed to better reflect the 850 investment Funds Management procedure.
4. **850 Everhart-Forrer Funds Transferred.** On May 29, 2014 the Everhart-Forrer funds were transferred to Southwest Securities H.C. Denison for investment. The total amount of funds transferred from the City of Sheboygan to H. C. Denison was in the amount of \$987,646.26. The May 22, 2014 minutes will be changed to better reflect and describe the management of the fund. Zylman stated the May 22, 2014 minutes should be changed to reflect the initial investment management of 100% transferred immediately, with 50% invested immediately in equities and 50% placed in a cash fund (Money Market). After 6 months' time, an additional 25% of the original amount would be moved from cash investments to equities. Finally, after 12 months total time since the original investment, the remaining 25% would be transferred from cash investments to equities. Zylman stated that the reporting for the 850 Funds should be reported to the Finance Committee on a quarterly basis in line with the reporting received from H.C. Denison to the MPL Foundation. The balance of the Finance Committee members agreed that quarterly would be sufficient for a reporting timeline.
5. **Roof repair and the Chiller projects.** Bernie Rammer sent out a request for competitive bids for the roof repair. The Frederickson Engineering firm was selected to handle the Engineering portion of the second phase of the HVAC upgrade project (replacing the existing Chiller). DeAmico explained the repairs to the current chiller and the roof were unexpected. However, she has informed Diane Kallas & Pete Eisch that the funds for these repairs should come out of the maintenance budget and not the MPL reserves. DeAmico stated that if there are additional repairs needed that exceeded the 2014 budgeted amount, a request would be made to take the funds out of the MPL reserve account. The goal is not to use the reserves unless absolutely necessary. DeAmico also reported that the Chiller replacement project has begun with a payment of \$11,700.00 to Frederickson Engineering for the engineering, planning and bidding process to begin. The project is still slated to begin in September or October 2014.

6. Draft Copy of the “Sale/Disposal of Used Property Policy” was presented by Erickson. Erickson explained to the Finance Committee members the need for the MPL to have a “Sale/Disposal of Used Property Policy”, being that there is no library policy pertaining to this issue. Erickson explained the policy gives clear direction as to the process and the method of depositing of discarded books and other MPL assets. Nelson asked about giving away free books to some of the Sheboygan Community entities such as Good Will, St. Vicenti Paul, Salvation Army, etc. Carlson suggested a garage sale on a Saturday during the Farmer’s Market. The committee members agreed that the policy meets the goal the MPL is trying to achieve. Nelson only had one more comment about the policy and that was to change the name “Garbage” so some other term of disposing of assets that are not in a condition to be sold. Zylman stated this was not an action item only for discussion and recommendation to the “Board of Trustees to accept, and to approve the “Sale/Disposal of Used Property” policy.
7. **Review and possible action on payment of current expenditures, including payroll.** The accounts payables and reoccurring invoices were review. Nelson **moved** to accept payment of current expenditures, including payroll and reoccurring expenditures, Carlson **seconded** the motion, with all members voting yes the motion **carried**.
8. **Review of Metrics.** The committee reviewed the personnel metrics. Zylman stated the importance of reviewing the personnel metrics and that the committee should continue to review the metrics each month.
9. **Receive 2014 budget status report to date** (available at meeting). Johnson questioned why the Public/Support Services are at a higher % than budgets. DeAmico explained that for the materials they are ordering now for items that will be delivered for (example) November needs. DeAmico explained she compared Munis to Polaris and the materials purchases are running about 9% higher than the Munis Y-T-D budget. Both DeAmico & Erickson feels this will level out in the next few months with the changes being made in both Public & Support Services areas. Johnson also questioned the Parking Assessment cost. Both DeAmico & Erickson stated the MPL has no control over this cost. According to the City Finance and Parking Utilities the assessment is based on the maintenance of the parking lots and snow plowing, with snowplowing being the biggest portion. Johnson also brought up the 1.1 million deficit the City of Sheboygan is facing going into the 2015 budget process. Carlson explained the common council’s budget dilemma if the garbage fee is allowed to sunset. In that scenario, the city would face a significant budget deficit that would have to be made up elsewhere.
10. **Future Finance Committee agenda items:** Meeting time will be changed to 2:45 pm for the foreseeable future. Zylman asked that one element of the budget be analyzed each month, so the Finance Committee members can better understand the budget. Zylman would like DeAmico to start this discussion using the library collections accounts for the July 2014 Finance Committee meeting. Nelson also asked “How do we get the budget closer to meet the DPI goal of 12% to 18% on the Y-T-D materials budget.” Erickson stated the Joint City Finance Committee will meet on July 14th or July 28th to review the MPL 2015 Budget proposal. Erickson encouraged committee members to attend.
11. **Confirm committee report to Mead Public Library Board.** Zylman confirmed to move the Finance Committee Report to the Mead Library Board.
12. **Next meeting July 24, 2014, 2014,** or as needed.
13. **Adjourn** Carlson **moved** to adjourn the meeting at 2:45 p.m. **Seconded** by Nelson. The motion **passed**. Zylman concluded the meeting at 2:47 pm.